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SS G Following letter from the President should be delivered to Prime Hing Ger MacMillan as soon as possible. Report date time delivery.

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Dear Mr. Prime Minister:

RMR

As you know from the discussions we have had with your Ambassador, the United States Government has been conducting a fundamental and searching review of the Berlin problem in all its aspects. This process was given etimulus by the aide memoire which Khrushchev gave me in Vienna and all that it imports.

Mich Shills and quelly

During the intensive deliberations that have taken place, the views on Berlin which you had earlier conveyed to me, for example during our London talks in June, have been constantly on my mind, and I am, therefore, hopeful that my conclusions will accord with your own.

It seems to me that while the focus of attention in the struggle against Soviet expansionism is certainly now Berlin, this must be evaluated against the background of the world conflict and considered in this light.

We have made serious efforts to stop the arms race, and to relax tensions, but Soviet belligerence has made this impossible. In view of

Drafted by

7/20/61

Telegraphic transmission and

EUR:GER:MJHillenbrand:FECash:mk

desilestes approved by. EUR:GER . M. J. Hillanhrand

Clearences

Approved in draft by the President at White House meeting July 20, 1961.

8/8 - Mr. Perkins

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the increasing gravity of the world situation, it seems only elementary prudence that the member countries of NATO should make a greatly heightened effort to create a strong NATO military posture.

As concerns the direct Soviet challenge on Berlin, we are convinced that a peaceful solution of the present controversy depends on the ability of the Alliance to convince the Soviet leaders that we are prepared to meet this challenge.

I expect to present the general terms of our conclusions to the American people in an address next Tuesday. Before doing this I wanted to give you an outline of our views. The Secretary of State is giving your Ambassador a more detailed account.

In general, I have been thinking along the following lines:

Our mutual interests require the continued presence of the Western forces in Berlin. These interests also require that we maintain the security and viability of West Berlin and physical access thereto.

Soviet objectives appear to include consolidation of the Communist position in Eastern Europe, an early significant weakening of the Western position in Berlin and eventual absorption of the City into East Germany. They probably also seek as useful bi products a demonstration of Western impotence in order to weaken or dissolve NATO and inflict a serious blow to Western prestige.

Our central problem at this juncture is to protect our mutual vital interests without war if possible, and to put ourselves in the best possible position if war should be forced upon us.

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As I see it, this will require:

- action on a broad front to convince Khrushchev of Western determination to defend our vital interests:
- 2) the united purpose of the people of the NATO countries based on clear public recognition of the issues involved and confidence that every reasonable step has been taken to defend our vital interests by measures short of war;
- 3) the unity of the Alliance based on clear recognition that NATO's vital interests are involved and confidence that the Allied position is reasonable and that the Soviets are forcing the issues beyond a tolerable point;
- 4) the development of an agreed strategy should military steps be necessary;
- 5) the development of other countermeasures programs including economic sanctions;
- 6) the development of concerted diplomatic measures to explore all reasonable avenues for sattlement; and
- 7) the marshalling of maximum support of world opinion to make Soviet aggressive moves as costly as possible.

Taking into consideration the nature of the Soviet threat, the need to preserve our position in Berlin, and the means to do so that we have at our disposal, I have concluded that it is essential that all of our countries initiate immediately a significant buildup of military strength of a type suitable both for a peak crisis as well as prolonged tension. I believe that this course will give such diplomacy a maximum of flexibility.

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To this end, I will as the Congress on Wednesday for a supplementary defense budget of 3.2 billion dollars, making a total of approximately 6 billion dellars over the budget submitted by President Eisenhower in January.

This would provide us with progressively stronger forces in the months shead, giving us a capability of moving six additional divisions to Europe by the end of the year, or at any time thereafter, if our allied decision is that the situation warrants this. We would also have available supplementary units of tactical and transport aircraft and increased naval strength, especially in the field of anti-submarine warfare. Further, we are acting immediately to increase by 50 per cent the number of our bomber aircraft on ground alert status.

I know that you share my view that while we must strengthen ourselves we should attempt to prevent the matters at issue from becoming so dominated by the military aspects that fruitful negotiation might become impossible. I am therefore for the present refraining from declaring a national engency or calling up large reserve units. I am however planning an increase in the draft calls to bring the level of inductions from the present 8000 to 25,000 per month.

I believe that the atrength required to meet the Soviet challenge with confidence cannot be a phieved unless other NATO members make a comparable effort. We will, in my judgment; be unable to succeed in convincing the Soviet Union of our determination or in building the requisite strength unless a high level of combet-ready forces is urgently achieved.

This will involvesadditional cost and sacrifice in all our countries. But this is a time of clear and imminent danger for the Alliance. I do not believe

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that we can convince the Soviets of our willingness to face the greater risks which may be ahead unless we are ready to bear the burdens of a period of growing peril. My Government will, in the course of forthcoming consultation, be making specific proposals as to the strengthened NATO military posture which seems urgently required, as a basis for your consideration.

The United States also plans a considerable increase in Civil Defense efforts, especially in the field offallout shelters as an efficacious means of reducing Soviet estimates of their own ability to inflict damage on this country by thermo-nuclear attack.

As we have already agreed, these military measures alone are not enough, and we must rapidly complete Allied plans for the initiation of a program of diplomatic, political, and other non-military measures, including aconomic sanctions. To this end, I believe that the whole range of Berlin contingency planning must be reviewed with the objective of achieving more precise Governmental commitments to their execution.

It is of great importance, however, that we not permit these new programs and expenditures to affect negatively the more positive and constructive programs which we are conducting around the world. To do so would be to present the Soviets with a major collateral victory.

The course suggested here is intended to deter the Soviets by impressing them with our unqualified resoluteness of purpose and thus improve the possibilities for an acceptable arrangement.

We should, therefore, explore opportunities for Western political initiatives

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at an appropriate time, for example, through our Ambassadors in Moscow or in the form of a proposal for a Four Power meeting of Foreign Ministers. Other possibilities must be considered.

Basic to all this, of course, is the need for continuous Allied consultation, starting in Washington immediately and then moving to Paris for the meetings of senior officers and later the Foreign Ministers which have already been agreed.

My hope is that these measures will convey to the Soviets, while they are still in the process of making decisions, convincing evidence of our firmness of ultimate purpose. I am hopeful that this course will protect the interests of the West Berliners, the Alliance, and the entire free world without resort to war, while also ensuring the best possible posture should our peaceful efforts fail.

We have jointly an historic task of defending the vital interests which we share with the entire free world, and I look forward to the closest collaboration and consultation between us in achieving our common goals.

I am writing along similar lines also to President de Gaulle and to Chancellor Adenauer.

Sincerely,

John F. Kennedy

End Text.

White House desires no release.

RUSK

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